

FILED

IN THE UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

FEB 27 2020

U. S. DISTRICT COURT  
EASTERN DISTRICT OF MO  
ST. LOUIS

UNITED STATES OF AMERICA,

Plaintiff,

v.

STEPHANIE BAKER,

Defendant.

**4:20CR00137 HEA/DDN**

**INDICTMENT**

**THE GRAND JURY CHARGES:**

**COUNTS 1 - 3**  
**MAIL FRAUD**

**A. INTRODUCTION**

At all times relevant to the Indictment:

1. Prairie Farms Dairy Supply Company (hereinafter referred to as "Prairie Farms") sells and distributes food and dairy products to restaurants, markets, and other retailers throughout the Midwest region, including to fast-food type restaurants in the St. Louis, Missouri metropolitan area. Prairie Farms is headquartered in Edwardsville, Illinois, with major offices in St. Peters, Missouri.

2. Beginning during in or about June, 2014, the defendant, **STEPHANIE BAKER**, (hereinafter referred to as "**BAKER**"), was an employee of Prairie Farms, working in that company's accounting department in St. Peters, Missouri. **BAKER's** duties and responsibilities included applying and allocating Prairie Farms customer payments to their customer accounts. As part of her duties, **BAKER** would routinely receive checks from Prairie Farms customers, and make accounting entries to apply those checks to each customer's account and therefore reduce the balance owed to Prairie Farms of that particular customer account by the amount of the check received.

3. C.S. owned and operated a Dairy Queen restaurant franchise in southern Illinois, (hereinafter referred to as "DQ Columbia"). DQ Columbia maintained an account at Prairie Farms and purchased and received products from Prairie Farms on a regular basis. DQ Columbia was required under its franchise agreement to order and receive substantially all of its food, dairy products, and supplies from Prairie Farms.

B. SCHEME TO DEFRAUD

4. Beginning in or about March, 2018 and continuing through in or about December, 2018, both dates being approximate and inclusive, in the Eastern District of Missouri and elsewhere, the defendant,

**STEPHANIE BAKER,**

devised, intended to devise, and knowingly participated in a scheme to defraud and obtain money from Prairie Farms and C.S., in an approximate amount of \$270,000, by means of materially false and fraudulent pretenses, representations, and promises.

5. It was a part of the scheme that, on one and more occasions, **BAKER**, without the knowledge and authority of Prairie Farms and its owners, received and applied payments received from Prairie Farms customers other than DQ Columbia to DQ Columbia's account. DQ Columbia, therefore, received credit and a reduction in its account balance for payments that were not made by DQ Columbia, but instead were made by other Prairie Farms customers. Further, the other Prairie Farms customers who made the actual payments did not receive credit and a reduction in their account balances. As part of the scheme, **BAKER** misapplied approximately \$143,933 in other customer payments to the DQ Columbia account.

6. As a further part of the scheme, on one and more occasions, **BAKER** withheld and did not mail out statements to the other Prairie Farms customers so that those other customers would not realize that their prior payments to Prairie Farms had not been credited to their accounts.

7. It was a further part of the scheme that, on one and more occasions, **BAKER** falsely represented to C.S. that, in order for DQ Columbia to continue receiving food, dairy products and supplies from Prairie Farms, C.S. needed to make cash payments personally to **BAKER**. At **BAKER's** direction, C.S. met with **BAKER** on numerous occasions and delivered cash to **BAKER** based upon **BAKER's** false representations that she would deliver the cash to Prairie Farms and credit DQ Columbia's account accordingly. In fact, **BAKER** kept the cash she received from C.S., did not credit DQ Columbia's account for the cash payments, and used the cash for her own personal use, including for the boarding and related expenses for a show horse and other general living expenses, unrelated to the legitimate business of Prairie Farms. C.S. met with **BAKER** on numerous occasions and made cash payments to **BAKER** totaling approximately \$125,000. Prairie Farms and its owners had no knowledge of the cash payments which C.S. made to **BAKER**, and received no portion of these cash payments.

C. THE MAILINGS

COUNT ONE

8. On or about March 11, 2018, within the Eastern District of Missouri and elsewhere, for the purpose of executing the above-described scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, and representations, the defendant,

**STEPHANIE BAKER,**

knowingly took and received a check from Prairie Farms customer HPI, LLC in the amount of \$2,629.93 which was sent through the United States Postal Service to Prairie Farms in St. Peters, Missouri, and misapplied that total payment as a credit to the account of DQ Columbia.

In violation of Title 18, United States Code, Section 1341.

**COUNT TWO**

9. On or about June 11, 2018, within the Eastern District of Missouri and elsewhere, for the purpose of executing the above-described scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, and representations, the defendant,

**STEPHANIE BAKER,**

knowingly took and received a check from Prairie Farms customer HR, Inc. in the amount of \$7,000 which was sent through the United States Postal Service to Prairie Farms in St. Peters, Missouri, and misapplied \$3,577.75 of that payment as a credit to the account of DQ Columbia.

In violation of Title 18, United States Code, Section 1341.

**COUNT THREE**

10. On or about July 22, 2018, within the Eastern District of Missouri and elsewhere, for the purpose of executing the above-described scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, and representations, the defendant,

**STEPHANIE BAKER,**

knowingly took and received a check from Prairie Farms customer HR, Inc. in the amount of \$5,500 which was sent through the United States Postal Service to Prairie Farms in St. Peters, Missouri, and misapplied the total payment as a credit to the account of DQ Columbia.

In violation of Title 18, United States Code, Section 1341.

**FORFEITURE ALLEGATION**

The United States Attorney further alleges there is probable cause that:

1. Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, upon conviction of an offense in violation of Title 18, United States Code, Section 1341 as set forth in Counts One, Two, and Three, the defendant shall forfeit to the

United States of America any property, real or personal, which constitutes or is derived from proceeds traceable to such violation.

2. Subject to forfeiture is a sum of money equal to the total value of any property, real or personal, constituting or derived from any proceeds traceable to such violation, which is at least \$270,000.

3. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

the United States of America will be entitled to the forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p).

A TRUE BILL.

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FOREPERSON

JEFFREY B. JENSEN  
United States Attorney

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HAL GOLDSMITH, #32984MO  
Assistant United States Attorney